



VIA MAIL AND E-MAIL

October 12, 2010

Secretary Dale E. Bonner
Strategic Growth Council
California Business, Transportation & Housing Agency
980 9th Street, Suite 2450
Sacramento, CA 95814-2719

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Roelof van Ark
Chief Executive
Officer

RE: Cooperative relationship between the California High Speed Rail
Authority and the California Strategic Growth Council

Dear Secretary Bonner:

Thank you for meeting with me and my staff recently. We explored ways in which the Authority and Strategic Growth Council can work together to achieve shared goals of sustainability, improved mobility and integrated land use and transportation planning. I found our meeting very promising. That our agencies are already working well together on the Vision California effort portends a very productive deeper relationship.

To further these thoughts, I prepared the attached short document that briefly discusses the current status of high speed rail, my understanding of the Strategic Growth Council, and opportunities for collaboration between us to support goals shared by the Authority and the Strategic Growth Council.

I look forward to your comment on the attached document and to continuing to work together.

Warmest regards,

A handwritten signature in blue ink, appearing to read "Roelof van Ark".

Roelof van Ark,
Chief Executive Officer

ARNOLD SCHWARZENEGGER
GOVERNOR



cc: Dan Leavitt, CHSRA Deputy Director
R. Gregg Albright, BT&H Deputy Secretary

Attachment

IDEAS FOR A COOPERATIVE RELATIONSHIP
BETWEEN THE CALIFORNIA HIGH SPEED RAIL AUTHORITY
AND THE CALIFORNIA STRATEGIC GROWTH COUNCIL

The Legislature created the California High Speed Rail Authority (Authority) in the 1990s to bring high-speed rail (HSR) to California. That goal is becoming a reality. In 2008, the voters approved \$9 billion in bond funds for construction of the system. The Authority has received federal funding commitments to date of \$2.25 billion. Programmatic environmental clearance for the entire system is complete. Project-level environmental documents for portions of the system will be released in a few months. Construction will commence in September of 2012. The system will cover 800 miles and will carry up to 100 million passengers a year by 2035.

The Authority and the Strategic Growth Council share many goals:

- The HSR bond legislation acknowledged that the “continuing growth in California’s population and the resulting increase in traffic congestion, air pollution, greenhouse gas emissions, and the continuation of urban sprawl make it imperative that the state proceed quickly to construct” the high-speed train system. The Authority has adopted HST Station Area Development Policies that call for activated and dense (relative to the surrounding area) mixed-use land use around stations. Those Policies also recognize that the success of HST is highly dependent on land use patterns that also reduce urban sprawl, reduce conversion of farm land to development and reduce VMT.
- The Strategic Growth Council was created in 2008 to coordinate member state agency activities, and to recommend policies to the Governor and Legislature, to improve air/water quality, improve natural resource protection, improve transportation, reduce greenhouse gas emissions, encourage sustainable land use planning (i.e., curtail sprawl) and revitalize urban centers.

For HSR to maximize its transformative potential, it needs government partners and coordination across agencies. The Strategic Growth Council is perfectly poised to assume a leadership position with this coordination. That HSR is high profile, in turn, could elevate the Strategic Growth Council’s profile and strengthen its ability to shape state policy (even beyond HSR) as contemplated by its founding legislation. The Authority also recognizes that its Development Policies provide an opportunity to work cooperatively with local governments, environmental and public interest groups, developers and others – parties already working with the Strategic Growth Council and its member agencies. The following areas are specific examples where the Authority and Strategic Growth Council might partner.

HSR Station Area Planning: The Strategic Growth Council and other state agencies administer grant programs for regional and local government planning. HSR has the potential to transform areas around its stations. Transformed station areas, in turn, help HSR with increased activity around stations. This will happen best, however, if regional and local governments are given the resources and tools for great planning around the stations. Without great planning, we risk missing a tremendous opportunity. We also risk insufficiently leveraging voter-approved HSR

funds. The Strategic Growth Council could be instrumental in coordinating and expanding grant programs to assist regional and local government with this great planning. This can be coordinated further with the Authority's station area planning grant program for maximum effect. The Authority and Strategic Growth Council also can work with federal partners and programs like HUD's Sustainable Communities Regional Planning Grant Program to further facilitate great land use planning related to HSR.

State Infrastructure Planning: The Strategic Growth Council reviews and comments on the state's annual five-year infrastructure plan. Other government agencies can leverage (to their benefit) HSR investment in their jurisdictions through improved/new infrastructure – *e.g.*, improved local transit to bring riders to HSR stations, improved urban sewer and water systems to allow areas around HSR stations to revitalize, etc. As appropriate, the Strategic Growth Council can assist these agencies through its review and comment role on the state's infrastructure plan.

In addition, HSR will result in far fewer overall statewide vehicle trips (than without HSR) as travelers opt for HSR over driving or flying. This has implications for the need (perhaps reduced) for more auto-related statewide and regional major transportation investments. Such investments will need to be reevaluated in light of HSR. The Strategic Growth Council can provide coordinating leadership.

Improved Transit Statewide: The joint Authority/Strategic Growth Council Vision California process will model the consequences of varying land use and transportation scenarios and provide robust quantifications of the benefits of a more sustainable, transit-oriented future for California--one that is anchored by a statewide HSR network. The results, combined with continued success toward constructing HSR and changing demographics, could transform the public's demand for a more complete transit-friendly mobility system. If so, the Strategic Growth Council could leverage such demand into an expanded focus on statewide transit.

SB 375 Implementation: SB 375 has the potential to greatly impact development patterns across all HSR portions of the state. The Strategic Growth Council and the Authority can work cooperatively with the regional and local agencies implementing SB 375 to ensure HSR and its potentially broad positive implications to transit, its ability to reduce sprawl and focus development, are accounted for.

State Environmental Goals and Policies: The Strategic Growth Council reviews and comments on the State Environmental Goals and Policy Report. That Report surveys the state's future growth, and sets forth environmental goals and associated policies/programs regarding land use planning, growth patterns, resource conservation and air quality improvement. These are all goals HSR could influence across the state. Importantly, the Report serves as a guide for state expenditures.

Recommendations to the Governor, Legislature and Other Agencies: The Strategic Growth Council is empowered to recommend policies and investment strategies and priorities directly to the Governor, Legislature and state agencies to encourage sustainable communities that will strengthen the economy, protect the environment and promote equity and public health. HSR promises to connect workers to jobs in a way that presently is not possible, or at best extremely

difficult. The Authority estimates tens of thousands of new jobs will be created as a result of HSR – all with the co-benefit of reducing vehicle miles traveled and GHG emissions. As California grows, however, development policies will need to be shaped and coordinated to ensure the opportunities HSR creates are harnessed in a way that ensures communities develop sustainably and equitably. The Strategic Growth Council could play an instrumental role in this effort.

Coordination of Strategic Growth Council Member Agencies: Strategic Growth Council member agencies influence a tremendous amount of resources across the state, from resource protection policy to housing policy to environmental policy to transportation policy. Given the size and magnitude of HSR, all these policy areas likely will be implicated and cross-implicated. It presents a very promising opportunity for agency coordination to accomplish great things.

These are just examples of the possible benefits that could flow from a cooperative relationship between the Authority and the Strategic Growth Council. HSR has the ability to transform California. The Strategic Growth Council was created to transform California. Working together, the Authority and the Strategic Growth Council can accomplish great things and leave a tremendous legacy for future Californians.